

Old Age, Disability, Death

First laws: 1950 (social assistance) and 1955 (provident and insurance fund).

Current laws: 1975, 1984.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 3.40 pounds.

Coverage

Employed persons aged 18 and over (16 and over if government employees). Special systems for casual agricultural workers, domestic servants, and self-employed persons with modest income.

Source of Funds

Insured person: 14% of *basic wage*; 11% of *variable wage*.

Employer: 26% of *basic wage*; 24% of *variable wage*.

Government: 1% of payroll plus any deficit.

Basic wage is base pay up to 337.5 pounds per month (to be increased to 500 pounds over next few years).

Variable wage is base pay over 500 pounds per month, plus certain other compensation, such as bonuses and commissions.

Maximum earnings for contribution and benefit purposes consists of limit on combined basic and variable wage depending on wage class.

Qualifying Conditions

Old-age pension: Age 60. For pension based on *basic wage*, 120 months of contribution. For pension based on *variable wage*, age 50 with 240 months of contribution.

Retirement from insured employment.

Disability pension: Total and permanent incapacity for any gainful employment. Contributions during 3 consecutive months, or for total of 6 months.

Survivor pension: Deceased met contribution conditions for disability pension or was pensioner at death.

Lump-sum compensation (if not qualified for pension): Age 60; leaving country; totally disabled; widow age 51.

Old-Age Benefits

Old-age pension: 1/45 (up to 1/36 for periods of arduous work) of average monthly earnings during last 2 years times number of years of contribution up to 36 years (contribution periods under earlier public and private programs may be credited).

Lump-sum benefit: 15% of average annual wage for each year of contribution over 36.

Minimum pension: 55 pounds a month; maximum, 80% of average earnings or 590 pounds a month, whichever is less.

Lump-sum compensation (if not qualified for pension): 15% of average annual wage during last 2 years times years of contribution.

Special pension payable to all persons not covered under compulsory program; 25 pounds a month for universal pensions, 21 pounds a month for social pensions.

Permanent Disability Benefits

Disability pension: 1/45 of average monthly earnings during the last year for each year of contribution plus 3 extra years, or 50% of average monthly earnings, whichever is greater. To the resulting

amount is added half the difference between it and 80% of average monthly earnings.

Constant-attendance allowance: 20% of pension.

Partial disability: Lump sum of 4 years' pension proportionate to degree of disability, if less than 30% disabled.

Minimum and maximum pensions: Same as under old-age pension.

Lump-sum compensation (if not qualified for pension): 15% of average annual wage during last 2 years times years of contribution.

Special pension payable to all persons not covered under compulsory program.

Survivor Benefits

Survivor pension: 1/45 of average monthly earnings during the last year for each year of contribution plus 3 extra years, or 50% of average monthly earnings, whichever is greater. To the resulting amount is added half the difference between it and 80% of average monthly earnings.

Minimum pension: greater of 65% of average earnings or 29 pounds per month. Maximum pension: Same as under old-age pension.

Pension divided among following survivors according to schedule in law: dependent widow or widower; divorcee without other source of income and married at least 20 years; dependent sons and brothers under age 21 (26 if student, no limit if disabled); unmarried daughters and sisters; and dependent parents. Also payable to disabled widower.

Lump-sum compensation (if not qualified for pension): 15% of average annual wage during last 2 years times years of contribution.

Death grant: 3 times the wage or pension in month death occurred.

Funeral grant: 2 month's pension; minimum, 100 pounds.

Administrative Organization

Ministry of Social Insurance, general supervision.

Social Insurance Organization, administration of program through regional and district offices; managed by tripartite board.

Insurance and Pensions Organization, administration of program for government employees through regional offices.

Sickness and Maternity

First law: 1959 (enabling provisions only) and 1964 (workers in public and private sectors).

Current law: 1975.

Type of program: Social insurance system (cash and medical benefits).

Coverage

Employed persons aged 18 and over (16 and over if government employees), and gradually being extended to students.

Exclusions: Casual agricultural workers, domestic servants, and self-employed.

Source of Funds

Insured person: 1% of earnings. Pensioner pays 1% of pension.

Widow, 2% of survivor pension (optional).

Employer: 4% of payroll (may be reduced to 3% for employers that provide cash and medical benefits to own employees).

Government: None.

Qualifying Conditions

Cash sickness and medical benefits: Contributions throughout last 3 months, or for 6 months including last 2 months.

Cash maternity benefits: Contributions throughout last 10 months.

Sickness and Maternity Benefits

Sickness benefit: 75% of daily wage during 1st 90 days of sickness; 85% of earnings thereafter. 100% of earnings payable in case of specified chronic diseases. Minimum benefit: 12 pounds a month. Payable for up to 180 days in a calendar year, or without limit on duration for specified chronic diseases.

Maternity benefit: 75% of daily wage. Payable for up to 50 days before and after confinement, 3 months for government employees.

Workers' Medical Benefits

Medical benefits: Service benefits provided by employer, public, or other facilities under contract with the Health Insurance Organization which pays benefits directly. Includes general and specialist care, surgery, hospitalization, maternity care, dental care, laboratory services, medicines, appliances, and transportation. Patients required to pay small fees for some services. Maximum duration: No limit.

Dependents' Medical Benefits

Medical benefits for dependents: Medical care and treatment provided widow of the insured.

Administrative Organization

Ministry of Health, general supervision.
Social Insurance Organization and Insurance and Pensions Organization, administration of contributions and cash benefits.
Health Insurance Organization, administration of medical benefits through its own hospitals. Managed by tripartite board.

Work Injury

First law: 1936.
Current law: 1975.
Type of program: Social insurance system.

Coverage

Employed persons aged 18 and over (16 and over if government employees).
Exclusions: Casual agricultural workers, domestic servants, and self-employed.

Source of Funds

Insured person: None.
Employer: 3% of payroll (may be reduced to 2% or less if employer provides temporary disability benefits to own employees).
Government: None.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 100% of earnings.
Payable from 1st day after injury until recovery or certification of permanent disability.

Permanent Disability Benefits

Permanent disability pension: 80% of average monthly earnings during last year (up to 100% when coupled with old-age, survivors or disability pension), if totally disabled.
Minimum pension: 20 pounds a month; maximum, 200 pounds a month.
Partial disability: Percent of full pension proportionate to degree of disability, if latter 35% or over.
Lump sum of 4 years' pension proportionate to degree of incapacity, if less than 35% disabled.
Both pensions increased by 5% each 5 years disability continues, up to age 60.

Workers' Medical Benefits

Medical benefits: General and specialist care, surgery, hospitalization, medicines, X-rays, appliances, and rehabilitation.

Survivor Benefits

Survivor pension: 80% of average monthly earnings of deceased during last year (up to 100% when coupled with old-age, survivors or disability pension).
Minimum pension: 20 pounds a month; maximum, 200 pounds a month.
Pension divided among following survivors, according to schedule in law: widow of any age, dependent sons and brothers under age 21 (26 if student, no limit if disabled); unmarried daughters and sisters; and dependent parents. Any pension may be commuted to lump sum. Also payable to disabled widower.
Funeral grant: 2 months' pension; minimum, 50 pounds.

Administrative Organization

Ministry of Social Insurance, general supervision.
Social Insurance Organization and Insurance and Pensions Organization, administration of contributions and cash benefits.
Health Insurance Organization, administration of medical benefits.

Unemployment

First law: 1959 (enabling provisions only).
Current law: 1975.
Type of program: Compulsory insurance system.

Coverage

Employed persons. Exclusions: Casual agricultural workers, domestic servants, family labor, public employees, and employees over age 60.

Source of Funds

Insured person: None.
Employer: 2% of payroll.
Government: Any deficit.

Qualifying Conditions

Unemployment benefit: 6 months of contribution, including 3 consecutive months. Able and willing to work; registration and regular reporting at manpower office.

Unemployment not due to voluntary leaving, discharge for misconduct, refusal of suitable job offer, or refusal of training.

Unemployment Benefits

Unemployment benefit: 60% of last monthly wage.

Payable after 7-day waiting period for up to 16 weeks (may be extended to 28 weeks if contributions paid throughout last 24 months).

Administrative Organization

Ministry of Social Insurance, general supervision.

Social Insurance Organization, administration of program, in collaboration with local manpower offices.

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